Floating of Joint Venture by Sail

1187. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minister of STEEL be pleased to state:

(a) Whether SAIL is floating a new joint venture company at Salem to produce stainless steel to feed Salem Steel Plant;

(b) if so, what is SAIL's proposed equity participation in the proposed joint venture;

(c) the tentative capacity, cost of the project and production cost per ton;

(d) the techno-commercial advantage of having a new joint venture in green-field project *vis-a-vis* technological upgradation and cost reduction in existing Durgapur Alloy Steel Plant; and

(e) the steps taken by SAIL and Government to ensure total capacity utilisation of Alloy Steel Plant and the new joint venture plant?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) Yes, Sir. SAIL is exploring the possibility of Joint Venture participation at Salem.

(b) to (d) SAIL has floated a global advertisement in November, 1999 for "expression of Interest" to form a Joint Venture Company (JVC) with SAIL/Salem Steel Plant for setting up Stainless Steel Melting, Refining and Casting facilities to produce a minimum of 1,00,000 tonnes of stainless steel slabs per day. Based on the response of the global advertisement, SAIL will determine its equity holding in the JVC. The cost of the project and production cost per tonne will be known thereafter. The quantification of techno-commercial advantage of green field project versus technological upgradation at ASP can be assessed only after an assessment of the Joint Venture project.

(e) Information is being collected and will be laid on the Table of the House.